



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON 25

MEET

B-137279

November 10, 1958

Dear Mr. Postmaster General:

Reference is made to letter of October 30, 1958, from the Acting Postmaster General, referring to our decision of September 19, 1958, B-137279, to you, wherein we concluded that there is no legal objection to including proposed purchase options in the Department's leases incident to its long-term commercial leasing program under sections 11-14, 476, 577, and 903 of title 39, United States Code. Such options would provide the Department an opportunity to purchase the leased property at the end of the original term or at the end of any renewal term.

It is stated that the Department has determined that it would be in the best interests of the Government to provide an opportunity to purchase leased property not only at the end of the lease term or any renewal thereof, but also at specified intervals during the basic term and any renewal term; that it is therefore desired to expand the proposed option as set out in the decision of September 19, 1958, to permit the Department to purchase the leased property at fixed periods during the basic term and renewal terms, and that the duration of the fixed periods would vary according to the circumstances of each case.

We concur with the view expressed by the Acting Postmaster General that the reasons set forth in our decision of September 19, 1958, justifying the inclusion of purchase options to be available at the end of the basic term or any renewal thereof would be equally applicable to purchase options exercisable at staggered periods during the basic term or any renewal term. It is understood, of course, in view of section 3336, Revised Statutes (41 U.S.C. 14), that no option may be exercised in the absence of express statutory authority for the purchase of the land, and appropriations available therefor.

Sincerely yours,

Joseph Campbell

Comptroller General
of the United States

The Honorable
The Postmaster General